

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, June 22, 2006

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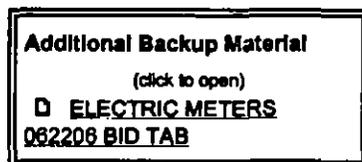
#39

**Purchasing Service Agreement
RECOMMENDATION FOR COUNCIL ACTION**

Subject: Authorize award and execution of five 12-month requirements supply contracts with PRIESTER-MELL and NICHOLSON, INC. Austin, TX, POWER SUPPLY, Austin, TX, TEXAS METER DEVICE, Waco, TX, SUNSUS METER SYSTEMS, Pittsburgh, PA, and GENERAL ELECTRIC SUPPLY COMPANY, Austin, TX, in estimated amounts not to exceed \$3,380,339.90; \$448,024.65; \$354,077.16; \$53,064, and \$46,236, respectively, for electric meters, metering sockets, and metering transformers, with two 12-month extension options in estimated amounts not to exceed \$3,380,339.90; \$448,024.65; \$354,077.16; \$53,064; and \$46,236, per extension option, respectively, for total estimated contract amounts not to exceed \$10,141,019.70; \$1,344,073.95; \$1,062,231.48; \$159,192 and \$138,708, respectively.

Amount and Source of Funding: Funding in the amount of \$1,070,435.43 is available in the Fiscal Year 2005-2006 Approved Operating Budget of Austin Energy. Funding for the remaining nine months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.



For More Information: Dolores Castillo, Sr. Buyer/322-6466.
Purchasing Language: Low bidders.

MBE/WBE: This contract will be awarded in accordance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified, therefore, no goals were established for this solicitation.

These contracts are to supply various types and sizes of electric meters, meter sockets, and metering transformers on an as needed basis. The electric meter is the device that measures the customer's electric usage. The electric meter socket houses the electric meter and provides connectivity for the customer's electric service wires. The metering transformers are devices that are utilized to accurately reduce excessive voltages and currents in order to minimize hazards to personnel and equipment.

This solicitation was issued with dual award requirements. Due to the critical need for these items for constant daily use, two awards will be made per line item, which meet the specified requirements. One contract for approximately 60% will be awarded to the lowest responsive bidder representing a single manufacturer for items bid. A second contract representing 40% will be awarded to the next lowest responsive bidder representing a different manufacturer and whose bid price per line item is no more than ten percent higher than the low bidder of the corresponding line item. If there is not a second bidder within 10% of the low bidder, then award

will be made to the low bidder for 100% of the line item.

MBE/WBE Solicited: 4/2 MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Eleven notices were sent including four MBEs and two WBEs. Eight solicitations were issued. Six bids were received with no MBEs/WBEs responding.
- c. The pricing offered represents a 12% increase to the last award in May 2003. The increase can be attributed to the higher cost of labor, steel and steel products which are required for the manufacturing of these items.

APPROVAL JUSTIFICATION

- a. Low bidders.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

AGENDA DATE:

**CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME:**

BID TABULATION

DC06100020

**Electric Meters, Metering Sockets, Metering Transformers
41 Line Items**

Company Name	60% Award	40% Award	100% Award	Total Award
Priester Mell Austin, TX Line Items	\$633,743.40	\$226,716	\$2,519,880.50	3,380,339.90
	1,6,7,8,10,11 18,23,26 27, & 40	9,12,17,20 22,24 & 25	13,21 & 37	
Power Supply Austin, TX Line Items	\$208,110.60	\$228,318.05	\$11,596.00	\$448,024.65
	9,14,15,16,17 28,29,36 & 38	6,7,8,10,11,32 33,34,&35	30,39 & 41	
Texas Meter Device Waco, TX Line Items	\$123,622.68	\$173,906.48	\$56,548	\$354,077.16
	3,12,20,22 24,25	4,16,18,23 26, 27	2, & 19	
Sunsus Meter Sys Pittsburgh, PA Line Items	\$9,504.00	\$11,760.00	\$31,800.00	\$53,064.00
	4	3	5	
General Electric Austin, TX Line Items	\$41,016.00	\$1,740.00	\$3,480.00	\$46,236.00
	32-35	1,14,15,28, & 29	31	

Notes: Techline Ltd. submitted a partial bid for Items 18-41, but was not low.

Bid tabulation is on file in the Purchasing Office.